

Estate of Chemetco, Inc.

3754 Chemetco Lane • Hartford, IL 62048
Office: (618) 254-4381 • Fax: (618) 254-0138
www.chemetcoestate.com

October 17, 2011

James L. Morgan
Assistant Attorney General
Environmental Bureau
500 Second Street
Springfield, IL 62706

Re: **Monthly Status Report (October, 2011)**
Interim Order (Civil Case No.00-cv-670-DRH-DGW
00-cv-670-DRH (consolidated))

Dear Mr. Morgan:

As requested in the joint motion to extend the Interim Order, this letter documents the progress by the Bankruptcy Estate of Chemetco, Inc. ("Estate") during the months of September under the approved work plans; (Demolition Work Plan, Scrap Metal Work Plan, Copper Furnace Cleanup Solids, Scrubber Sludge Work Plan, etc) as indicated in the Extended Interim Order.

Demolition Work Plan

Demolition of the Foundry building continues, the following materials were generated and sold for recycling during the month of September.

- 41 containers of scrap metal (~453 tons) from the demolition of the foundry building were loaded and shipped to Grossman Steel.
- 1 container of Stainless Steel (~19 tons) from the AAF area was loaded and shipped to Hi-lite international.

Scrap Metal Work Plan

The Estate of Chemetco gathered miscellaneous metal pieces of equipment that could be used for recycling. The following material was generated during the month of September.

- 3 containers of scrap metal (~53 tons) not associated with the demolition work were loaded and shipped to Alton Metals.

Scheduled Action Items for Next Month

Demolition Work Plan Activities.

AIS will continue demolition of the Foundry Building and begin demolition of the Bag house unit. Both activities will generate additional scrap metal. AIS expect to continue cutting and preparing the scrap metal and sold for recycling. Demolition activities are estimated to be approximately 60-70 % complete.

Other Work Plan Activities

Scrubber Sludge

The Estate and Paradigm continue negotiations with interested buyers for the Scrubber Sludge and Scrubber Sludge mixed with fines. No shipments of Scrubber Sludge and Scrubber Sludge mixed with fines were made in September. The Estate and Paradigm are tentatively expecting to begin loading the material during the month of October.

Copper Furnace Cleanup Solids

The Estate plans to collect an Assay sample from accumulated Copper Furnace Cleanup Solids (CFCS) that is currently located in the northwest corner area of the Foundry Building. The assay analytical sample results will be used to sell the material to interested buyers. The Estate has sold CFCS in the past to Aurubis, and/or will be probably sold to China.

Scrap Metals

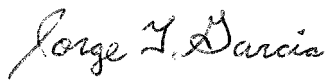
The Estate does not anticipate selling additional scrap metal not associated with demolition activities during the upcoming month. The Estate estimates that approximately 70-80% of scrap metal has been sold for recycling.

The next monthly progress report is due by the 10th of November.

It should also be noted that as required by paragraph 34 of Section X. REPORTING REQUIREMENTS of the Interim Order, a quarterly progress report is also being submitted to IEPA and USEPA. If you have any questions, please do not hesitate to contact me at my office, 618/254-4381 x372 or by cell phone at 314-348-8211.

Sincerely

ESTATE OF CHEMETCO, INC.

A handwritten signature in cursive script that reads "Jorge Y. Garcia".

Jorge Y. Garcia PG
EH&S Manager

CC: Michelle Kerr, USEPA Region 5 Superfund
Chris Cahnovsky, Regional Mgr, IEPA-Collinsville Office
Donald Samson, Trustee
Elliott Stegin, IAD/Paradigm
Penni Livingston, Livingston Law Firm